

CONFIDENTIAL

20 MAR 1975

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MEMORANDUM FOR: Deputy Director for Administration

SUBJECT : FY 1976 Position Reduction

1. As requested we have reviewed each of our resource packages for the purpose of identifying first, any function(s) that might be eliminated without impairing the support of this office for the Statutory responsibilities of the Director and second, the impact on the remaining functions of a further reduction in positions.

2. The only function not considered in substantial support of the Director's Statutory responsibilities is, as has previously been reported, VIP. This effort continues to require the equivalent of something more than one full man year of effort. Current developments associated with legal implications of the impact on VIP of the Pension Reform Act suggest more rather than less manpower for VIP.

3. The other position of a proposed two position reduction would be allocated to the Industrial Contract Audit Resource Package and could be effected there only at the expense of delays in preparation of Survey Reports and Proposal Analysis Reports for use by Contracting Officers in negotiating contracts and final Audit Reports for Contracting Officers and Certifying Officers for use in final payments to contractors. In time as backlogs increase, the need for a timely Survey Report or Proposal Analysis Report for a new priority effort could easily result in pulling an auditor off a job in process to perform the priority task. This would result in increased travel expense and loss of productive time.

4. The requested information on details including TDY for work outside the Office of Finance for which no positions existed is as follows:

Calendar Year 1974	13 man years
Calendar Year 1975 to date	5 man years

5. As you know this office along with others has absorbed significant position reductions in each of the last several years. This absorption without corresponding work load reductions has placed

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us in a position of jeopardy in relation to fully meeting our current responsibilities and at the same time continue to apply meaningful resources for systems improvements and developments, now in an advanced stage, which are absolutely essential to further position reductions in the future. The relative state of this "jeopardy" is partially evidenced by an increasing need to satisfy current requirements in the Certification and Liaison Division and in the Compensation and Tax Division with overtime and in slipping the planning which should take place to meet new requirements such as city tax withholding and issuance of composite checks to banks in lieu of individual salary checks now mailed to banks.

6. This concern for our current position ceilings being inadequate for satisfaction of our current responsibilities during FY 1976 and FY 1977 will be more specifically documented in the forthcoming Program Call for Fiscal Year 1977. (The Division Chiefs in their preliminary submissions have asked in the aggregate for 11 additional positions for FY 1976 above our presently authorized FY 1976 combined single ceiling authorization of [redacted] positions (not counting the two positions currently authorized for training MG careerists)).

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7. One additional point - we believe it is becoming increasingly critical to the Office of Finance career development program to formalize in our ceiling authorization structure approximately [redacted] positions for the Rotational, Training and TDY cadre which has been the subject of previous correspondence and discussion. The Comptroller, the Management Committee and the Director have approved the RTT Resource Package as a fundamental activity of the Office of Finance and have provided funds but not positions. Perhaps the greatest inequity to our careerists from our continuing failure to obtain positions for this purpose is the squeeze on headroom for warranted promotions which is imposed by the Career Service Grade Authorization report which is based on fewer positions than people. We believe this is an artificial restriction and if it is not possible at this time to authorize the additional positions, we believe at the very least we should be authorized to constructively modify the CSGA to include for headroom purposes an agreed upon additional number of positions of appropriate grade levels.

(signed) Thomas B. Yale

Thomas B. Yale
Director of Finance